



**Solicitation Information
7 June 2012**

Request for Proposals # 7457783

Title: External Quality Review Organization (EQRO) Services

Submission Deadline: 9 July 2012 @ 11:00 AM (Eastern Time)

Questions concerning this solicitation must be received by the Division of Purchases at questions@purchasing.ri.gov no later than **22 June 2012 at 12 noon (ET)**. **Questions** should be submitted in a *Microsoft Word attachment*. Please reference the RFP / LOI # on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: No

BOND REQUIRED: No

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Assistant Director for Special Projects**

**Contractors must register on-line at the State Purchasing Website at
www.purchasing.ri.gov**

Note to Contractors:

Offers received without the entire completed three-page RIVP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

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SECTION I. INTRODUCTION

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Executive Office of Health and Human Services is soliciting proposals from qualified firms to conduct external quality review related to the State's Medicaid Program from a qualified firm, as described elsewhere herein, and in accordance with the terms and of the Request of the State's General Conditions of Purchase available at www.purchasing.ri.gov

This is a Request for Proposals, not an Invitation to Bid; responses will be evaluated on the basis of the relative merits of the proposals, in addition to price. There will be no public opening and reading of the responses received by the Office of Purchases pursuant to this Request, other than to name those bidders who have submitted proposals.

INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:

Potential offerors are advised to review all sections of this Request carefully and to follow instruction completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will be rejected as being non-responsive.

All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content shall be borne by the offeror. The State assumes no responsibility for these costs.

Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.

All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.

Proposals misdirected to other State locations or which are otherwise not present in the Office of Purchases at the time of opening for any cause will be determined to be late and will not be considered. The "Official" time clock is in the reception area of the Division of Purchases.

It is intended that an award pursuant to this Request will be made to a prime Contractor, who will assume responsibility for all aspects of work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is

clearly indicated in the bidder's proposal and the sub-contractor(s) to be used is identified in the proposal.

All proposals must include the bidder's FEIN or Social Security number as evidenced by a W-9, downloadable from the Division of Purchases website at www.purchasing.ri.gov

The purchase of services under an award made pursuant to this Request will be contingent on the availability of funds.

Bidders are advised that all materials submitted to the State of Rhode Island for consideration in response to this Request for Proposals will be considered to be public records as defined in Title 38 Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection immediately upon request once an award has been made.

Interested parties are instructed to peruse the Division of Purchases web site on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.

If you wish to seek to do business with the State of Rhode Island, you must register and utilize the E-Verify Program. Please refer to www.dhs.gov/E-verify or the Division of Purchases website at www.purchasing.ri.gov for more information.

Equal Employment Opportunity (RIGL 28-5.1) § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where the State dollar is spent, in employment, public services, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Opportunity Office at (401) 222-3090 or via email raymond1@gw.doa.state.ri.us

In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). *This is a requirement only of the successful Contractor.*

The offeror should be aware of the State's MBE requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information, contact the MBE Administrator at (401) 574-8253 or visit the website www.mbe.ri.gov or contact cnewton@gw.doa.state.ri.us. Visit the website <http://www.mbe.ri.gov>

ARRA Supplemental Terms and Conditions for contracts and sub-awards funded in whole or in part by the American Recovery and Reinvestment Act of 2009 Public Law Number 111-5 and any amendments thereto, such contracts and sub-awards shall be

subject to the Supplemental Terms and Conditions for Contracts and Sub-awards funded in whole or in part by the American Recovery and Reinvestment Act of 2009 Pub.L.No. 111-5 and any amendments thereto located on the Division of Purchases website at www.purchasing.ri.gov

SECTION II. BACKGROUND

The Rhode Island Medicaid program has expanded over the years beyond the role of being a safety net program to becoming a principal source of health care coverage and services. Medicaid has served approximately one-third of the State's population within the last five years. It is now an integral part of the State's health care delivery system, serving last year over 176,000 individuals, at a cost of approximately \$1.7 billion dollars. Medicaid consumes approximately 25 percent of the State's budget.

When Medicaid began in the mid-1960s, the Rhode Island program was modeled as a traditional indemnity fee-for-service (FFS) health insurance program. Throughout the years, the State has implemented special programs to better manage the quality and cost of care. The State's initial managed care program RItE Care, began in 1994, with the Aid to Families with Dependent Children (AFDC), now the Temporary Assistance to Needy Families (TANF) program, and has expanded over the years to cover other special related populations including pregnant women and children with special health care needs. Today, all children and families without other third-party coverage are required to enroll in a managed care organization (MCO). There are currently two MCOs in which these beneficiaries are enrolled: (1) Neighborhood Health Plan of Rhode Island (NHPRI) and (2) United HealthCare of New England (UHCNE). Each is a licensed health maintenance organization (HMO), accredited by the National Committee for Quality Assurance (NCQA).

In the past, Rhode Island's adult aged, blind and disabled (ABD) populations were provided services through the Medicaid FFS system. Today, all adults without third-party coverage in the ABD program are required to either enroll in a MCO through Rhody Health Partners (RHP) or in Connect Care Choice (CCC), the State's Primary Care Case Management (PCCM) program. Rhody Health Partners beneficiaries are also enrolled in either NHPRI or UHCNE. The CCC program offers extensive care management services for adults who have multiple and complex medical and behavioral health conditions.

Enrollment in Medicaid managed care (i.e., RItE Care, RHP, and CCC) as of January 31, 2012 is shown in the table below. The State reserves the right to include other Medicaid-eligible populations under this contract (e.g., people dually eligible for Medicaid and Medicare).

Enrollment in Medicaid Managed Care as of January 31, 2012

Program	Health Plan	Enrollment
Base RItE Care	NHPRI	78,279
	UHCNE	37,764
	Total	116,043
Children with Special Health Care Needs in RItE Care	NHPRI	5,415
	UHCNE	1,512
	Total	6,927
Children in Substitute Care in RItE Care	NHPRI	1,988
Total RItE Care	NHPRI	85,562
	UHCNE	39,276
	Total	124,838
Rhody Health Partners	NHPRI	6,477
	UHCNE	7,029
	Total	13,506
Connect Care Choice		1,739

Rhode Island implemented RItE Share, the State's premium assistance program, in January 2001 to provide assistance in paying for health care premiums for commercial insurance to cover eligible children and eligible adults as well as some limited medically necessary wrap-around services (the wrap-around services are provided through the Medicaid FFS system). Enrollment in RItE Share became mandatory in February 2002 for those with access to employer-sponsored insurance (ESI). Rhode Island also administers the RItE Smiles program to increase access to dental care and to promote good oral health for enrolled Medicaid children through a Dental Benefit Manager (DBM). The current DBM is UnitedHealthcare Dental.

The Rhode Island Executive Office of Health and Human Services (EOHHS) administers the Rhode Island Medicaid program. EOHHS has undertaken a strategic approach to transform the delivery of health and human services to eligible Rhode Island citizens. Through the Rhode Island Global Consumer Choice Compact 1115 Demonstration Waiver (herein referred to as the Global Waiver), approved by the Federal Government on January 16, 2009, the State has implemented a number of initiatives to increase access to care, decrease reliance on institutional care, promote community-based care, enhance care coordination and care management.

Rhode Island has been a national leader in implementing innovative practices to make the Medicaid Program more cost-effective while enhancing and improving access to care and quality outcomes. In recent years the State has been confronted with difficult choices about how to contain Medicaid costs while preserving health care coverage and medical services to its residents.

The State has designed a truly innovative approach to assure sustainability of the State's Medicaid program in future years. Rhode Island's Global Waiver established a new Federal-State compact that provides the State with substantially greater flexibility than is available under existing program guidelines. The State has used the additional flexibility afforded by the Global Waiver to redesign the State's Medicaid program to provide cost-effective services that have ensured that beneficiaries receive the appropriate services in the least restrictive and most appropriate setting. In exchange for the increased flexibility and the opportunity to invest in Medicaid reform, the State will operate the Medicaid program under the Global Waiver with a mutually agreed upon five-year aggregate cap of Federal funds, thereby assuming a degree of financial risk with respect to caseload and per member per month cost trends.

Accordingly, Rhode Island now operates its entire Medicaid program under the Global Waiver with the exception of disproportionate share hospital (DSH) payments and payments to Local Education Agencies (LEAs), including: Section 1115 RItE Care and RItE Share programs for children and families, Rhody Health Partners, CCC, RItE Smiles, and Section 1915(c) Home and Community Based Services waivers. All Medicaid-funded services on the continuum of care, from preventive care in the home and community to care in high-intensity hospital settings to long-term and end-of-life care, are now organized, financed and delivered through the Global Waiver.

The State is required to develop a methodology to monitor the performance of the MCOs including the quality assurance activities of each MCO. As required by Federal regulations, the State must also have a strategy for assessing and improving the quality of managed care services including contracting with an EQRO. The State seeks the services of an EQRO contractor to help the State fulfill these obligations. EOHHS requires the services of a qualified firm to conduct external quality review (EQR) of specific aspects of the Medicaid program as further defined in the following scope of work.

SECTION III. SCOPE OF WORK

The objective of this Request for Proposal (RFP) is to procure competitively the services of a qualified External Quality Review Organization (EQRO).

The Contractor will work closely with the EOHHS-designated Project Director throughout the contract period.

The contract period for this effort is for a three-year period, beginning in July 1, 2012 and ending of June 30, 2015, with three one-year extensions upon agreement of both parties to be completed by June 30, 2018.

The following describes the major tasks related to this procurement.

The State has contracted with a private management firm to perform a portion of its Medicaid managed care administrative duties. In some program areas, the External

Quality Review Organization (EQRO) contractor will interact directly with the private contractor rather than with the State. However, in this RFP, the term “State” is used to refer both to State Government agencies and the private contractor. The full scope of State/EQRO contractor interaction is described in the various sections of this RFP.

In addition to State oversight, CMS monitors the Medicaid program activities through its Regional Office in Boston, Massachusetts and its Center for Medicaid and State Operations in Baltimore, Maryland. These activities include the use of outside contractors to perform certain research and evaluation activities.

The State developed its strategy for assessing and improving the quality of managed care under RItE Care, as required by 42 CFR 438.204. The State’s quality strategy has been included in this RFP’s Procurement Library, which is described in Attachment A. The State’s Quality Strategy is currently being revised to include RHP, CCC, and RItE Smiles.

The EQRO contractor may be requested to provide a number of services as part of the State’s quality strategy, as has been the case under the State’s current EQRO contract with IPRO. Except for the first item below that will definitely be performed by the EQRO contractor, the specific services sought from the EQRO contractor may also involve one or more of the other areas:

- **Prepare A Detailed Technical Report (Task A)**

The EQRO contractor will prepare a detailed external quality review (EQR) technical report that analyzes and evaluates aggregated information on quality, timeliness, and access to health care services that each Health Plan furnishes to RItE Care and RHP enrollees, or other Medicaid-eligible populations as may be determined by the State. The technical report shall meet the requirements of 42 CFR 438.364. Although EOHHS and the Health Plans will provide the EQRO contractor with all information necessary to prepare the report, the EQRO contractor is expected to be objective and exercise independent judgment in its analysis and evaluation. If requested, the EQRO contractor will also prepare a consolidated report across Health Plans.

- **Collaborate With Health Plans Regarding Quality Improvement (Task B)**

Currently, Health Plans must perform at least four (4) quality improvement studies annually directed at the needs of the RItE Care and RHP enrolled populations. The EQRO contractor may be asked to collaborate with Health Plans on quality improvement studies specific to the RItE Care and RHP populations. This may also entail, if requested, validation of Health Plan-specific performance improvement projects. Validation in this context has the meaning specified in 42 CFR 438.320. The basic elements of a quality improvement project include:

- Identification of an opportunity for improvement – May be directed by DHS or in collaboration with EQRO contractor
- Identify collaborators – Should include community stakeholders and others close to the process
- Analyze root cause – Should include a literature review and quality improvement strategies such as process flow studies, brainstorming techniques, mind mapping techniques, or other appropriate techniques
- Develop theory or theories for cause if improvement is needed – Should include a report on progress at this time
- Develop intervention(s) – Should be based on theories developed from root cause analysis
- Implement strategy – Should allow for mid-course correction(s) based on interim evaluation, as needed
- Re-measure – Should include comparisons to baseline data
- Prepare final report – Should include analysis of baseline and re-measurement data, any conclusions or recommendations, and lessons learned or identified barriers; should be consistent in format with standard medical publication protocols

- **Review Health Plan Compliance With Standards (Task C)**

As noted earlier, Medicaid-participating Health Plans must be accredited by the NCQA. Each Health Plan's Medicaid product is separately accredited by the NCQA. NCQA accreditation notwithstanding, the EQRO may be requested to review Health Plan compliance with established State standards including State contractual requirements.

- **Review and Modify Performance Data and Standards for RItE Care and RHP, or other Medicaid-eligible Populations (Task D)**

A performance-based incentive system was established to provide the Health Plans an opportunity to earn financial payments (over and above their monthly capitation payments) for attainment of certain performance goals. The performance standards for Health Plans participating in Rhode Island Medicaid are defined as meeting the State's performance standards (goals) in the following areas:

- Member Services
- Medical Home/Preventive Care

- Women's Health
- Chronic Care
- Behavioral Health
- Resource Maximization
- Initial Engagement and Care Management for Special Enrollment Populations

By and large, performance measures in the above areas are HEDIS[®] or CAHPS[®] measures.

Health Plans agree to cooperate fully with the State in its efforts to monitor and assess compliance with these performance standards. The EQRO contractor will, if requested, review the performance-based incentive system and suggest modifications to enhance quality performance. This may also entail, if requested, validation of performance measures.

- **Conduct Focused Patterns of Care Studies (Task E)**

The EQRO may be requested to conduct one or more focused patterns of care studies.

Focused studies of patterns of care are detailed investigations of certain aspects of care for specific clinical areas of interest (e.g., asthma or immunizations) or for defined aspects of health services delivery which cross clinical areas (e.g., access to care or utilization of services, coordination and management, of care, continuity of care, health education, or emergency services).

Any such studies will center on key health conditions and focus on global issues related to the State's populations enrolled in Medicaid managed care, which may include any new enrollment groups, in comparison to other populations; clinical conditions or health service delivery issues that have the highest prevalence or incidence; or those for which appropriate care has the greatest potential for improving health outcomes.

The State's interest in using focused studies could be to examine the following aspects of care: readmission for avoidable hospitalizations, emergency care, access to care/utilization of services, care management, adequacy of well-women care, transitions of care, and management of chronic disease. If the EQRO is requested to perform one or more focused studies, the State expects that the EQRO contractor will develop tentative approaches to design and conduct a review of care for the above aspects of care.

Final selection of areas of study, methods, and study questions, if any, will be deferred until an EQRO contractor has been selected. Any particular areas of study will be determined jointly by EOHHS and the EQRO contractor, with input from the Health Plans, taking into account the priorities of the State. The State

will assure that each Health Plan will provide or allow access to clinical or health services data required for any focused study.

- **Analyze and/or Validate Encounter/Claims Data (Task F)**

EOHHS collects encounter and claims data on Medicaid for all services and care provided. The EQRO contractor may be asked to use existing encounter or claims data as one source of data in conducting focused patterns of care studies. The EQRO contractor may also be asked to analyze encounter or claims data to construct quality of care and/or other performance measures or as a basis for performance improvement projects.

The EQRO contractor will, if requested, conduct a data validation study of the encounter and other data submitted to the State. Validation in this context has the meaning specified in 42 CFR 438.320, with a particular emphasis on the following data elements: treatment service date(s), diagnosis(es), and procedure(s). For example, the EQRO contractor may be requested to review hospital medical records to determine the validity of discharge diagnoses for the neonatal intensive care unit (NICU) APR-DRG payment system. If requested, the EQRO will prepare a study design to validate the encounter data, collect the data, analyze the validity of the data, and prepare a final report. The final report will summarize the study methodology, findings, and recommendations to improve the collecting, processing, editing, and use of encounter data.

- **Special Projects/Enhancement Activities (Task G)**

This task will be bid and paid on a Fully Loaded Hourly Rate basis.

In addition to the activities described above, EOHHS seeks to keep its Medicaid Program current with state of the art program policy, procedures and operations. There is often a need to develop and implement new programs, initiatives, business methods, and analyses in response to changes in Federal law and regulation, State legislation, and best practice advances in health policy and health care delivery systems. For example, the EQRO contractor may be requested to assist the State in reporting to CMS on the initial core sets of health care quality measures.

The EQRO contractor must demonstrate the capacity, flexibility and responsiveness to bring on additional contract staff in response to the state's need for additional capacity to perform additional activities which require similar expertise and work functions as those that address the quality, timeliness, and access to the health care services provided to Medicaid recipients.

The bidder will provide a list of positions, fully loaded hourly rates and staff qualifications for staff who could be brought on for special projects.

The decision to utilize contract services under special enhancement activities will be at the state's request and agreed to in writing before the enhancement work begins. There is no commitment on the part of the EOHHS to specifically utilize any or all the enhanced/special project services. The EQRO contractor will, if requested, conduct other, special projects that address the quality, timeliness, and access to the health care services provided to Medicaid recipients.

The EQRO will submit monthly progress reports to the State by the tenth of each month that indicates: (1) activities performed during the month, (2) activities planned for the next month, and (3) any problems encountered in performing the work and proposed solutions. The EQRO will meet with the State, and Health Plan staff as needed, on an ongoing basis to assure successful completion of the work.

The contract will be paid on a Fully Loaded Hourly Rate basis. Attachment B outlines the funds available for this Request. Payment will be based upon satisfactory and timely completion of tasks and associated products. Any award resulting from this RFP will be subject to the State's General Conditions of Purchase, which is available from the Internet at www.purchasing.state.ri.us as well as the terms of this RFP.

SECTION 4: CORPORATE EXPERIENCE, STAFFING AND CONTRACTOR/STATE REQUIREMENTS

CORPORATE EXPERIENCE

The Contractor will have at least five (5) years of experience in the area of quality assessment and improvement of State Medicaid programs. The Contractor must have the corporate resources necessary to support the successful outcome of this contract. The contractor selected will have the requisite experience and resources to carry out the activities detailed in this Request. More specifically, the successful contractor:

- Must be an organization that meets the competence and independence requirements set forth in 42 CFR 438.354
- Must have the corporate experience of the type required by this RFP to provide External Quality Review Organization services, including exemplary client references for successfully completing similar contracts
- Must have staff available with the required expertise and experience for this proposed contract

STAFFING

The Contractor will provide the following staff:

- Project Manager
- Nurse Reviewer
- Physician Consultant
- Statistician
- Data Analyst/Programmer

CORPORATE RESPONSIBILITIES

The following are the major responsibilities of the Contractor and the State of Rhode Island:

- **Single Award** – One contract will be awarded for the work.
- **Conditions Governing Subcontracting** – If the Contractor intends to use any subcontractors, the Contractor must clearly identify the subcontractor in the response to the RFP. The Contractor retains responsibility for the completion and quality of any work assigned to subcontractors. The Contractor is expected to supervise the activities of subcontractors and employees in order to ensure quality.

- **Compliance with Statutory, Regulatory and Other Standards** – The Contractor must comply with all applicable State and Federal regulations and statutes.
- **Confidentiality and Protection of Public Health Information and Related Data** – The Contractor shall be required to execute a Business Associate Data Use Agreement, and any like agreement, that may be necessary from time to time, and when appropriate. The Business Associate Agreement, among other requirements, shall require the successful bidder to comply with 45 CFR 164.502(e), 164.504(e), 164.410, governing Protected Health Information (“PHI”) and Business Associates under the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 USC Section 1320d, et seq., and regulations promulgated there-under, and as amended from time to time, the Health Information Technology for Economic and Clinical Health Act (HITECH) and its implementing regulations, and regulations promulgated there-under, and as amended from time to time, the Rhode Island Confidentiality of Health Care Information Act, R.I. General Laws, Section 5-37.3 et seq. The successful Bidder shall be required to ensure, in writing, that any agent, including a subcontractor, to whom it provides Protected Health Information received from or created or received by and/or through this contract, agrees to the same restrictions and conditions that apply through the above-described Agreements with respect to such information. Any information provided by the Department to the Contractor for the completion of the project may not be sold, given or otherwise shared with outside parties.
- **Office Space and Equipment** – The Contractor shall supply its own office space and equipment such as desks, file cabinets, and telephones. The Contractor need not be located in the State of Rhode Island.
- **Computers** – The Contractor shall supply its own computers, printers, and basic Microsoft Office software. The Contractor is responsible for any special software required for tasks related to the scope of work.
- **Data and Reports** – Data, information, analyses, reports or publications prepared by the Contractor as part of the scope of work, shall be deemed to be the property of the State. Any equipment purchased and paid for by the State under this contract, if any, shall be considered as Rhode Island State property.
- **Administrative Support** – The Contractor shall supply administrative support sufficient to carry out the tasks under this contract.

The contractor will work under the direction of the EOHHS-designated Project Director.

SECTION 5: PROPOSAL SUBMISSION REQUIREMENTS

The Rhode Island Department of Administration (DOA) on behalf of the Department of Human Services is issuing this Request for Proposal. **The Office of Purchases within the Department of Administration shall be the primary point of contact for all bidders from the date of release of the RFP until the contract is fully executed and signed.** Any attempt by a bidder to contact any State employees regarding this procurement, other than those named above, may cause rejection of a bid submitted by that party.

QUESTIONS

Questions concerning this solicitation may be emailed to the Division of Purchases at questions@purchasing.state.ri.us no later than the date and time indicated on page one of this solicitation. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP number of all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. For computer technical assistance, call the Help Desk at (401) 574-8100.

Bidders should recognize that the only official answers to any questions will be those made in writing and issued by the Office of Purchases to prospective bidders.

PROCUREMENT LIBRARY

Appendix A contains a listing of available Web-based resources that may be helpful to bidders in preparing their proposals.

PROPOSALS

Bidders shall submit a Technical Proposal and Cost Proposal. The Technical Proposal and Cost Proposal shall be separately bound and sealed. The technical proposal shall not make any reference to cost.

The Technical Proposal shall be limited to 25 single-spaced pages (excluding attachments) using Times New Roman front no smaller than 12 points. The Cost Proposal shall be limited to 10 single-spaced pages.

SUBMISSION TIME and LOCATION

Requests for Proposals to provide the services covered by this Request must be received by the Division of Purchases **on or before the date and time indicated on page one of this solicitation**. Responses received after this time as registered by the official time clock in the reception area of the Office of Purchases, will not be considered.

Responses (**an original, seven (7) hard copies, and two (2) electronic copies on CD or flash drive**) should be mailed or hand-delivered in a sealed envelope marked “**RFP # [REDACTED]: External Quality Review Organization (EQRO) Services**” to:

Rhode Island Department of Administration

Division of Purchases, 2nd Floor
One Capitol Hill
Providence, RI 02908-5855

The vendor assumes responsibility for proposals submitted by mail or commercial delivery service. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals that have been faxed, or emailed to the Division of Purchases will not be considered. The official time clock is located in the reception area of the Division of Purchases.

Proposals (an original, plus seven (7) hard copies) must include the following:

1. A completed and signed three-page RIVIP Bidder Certification Form, available at www.purchasing.ri.gov.
2. Letter of Transmittal on company/organization letterhead that indicates that the bidders agreement to comply with the terms and conditions of this RFP and the name, address, telephone number and e-mail address of the individual who serve as the lead contact representing the bidder. The owner, officer of individual who in authorized to legally bind the organization in contractual matters, must sign the Letter of Transmittal.
3. A Cost Proposal as described below.
4. A Technical Proposal (see below) describing the qualifications and background of the applicant and experience with similar programs, as well as the work plan or approach proposed for this requirement.
5. A completed and signed W-9 (taxpayer identification number and certification). Form is downloadable at www.purchasing.ri.gov.
6. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in electronic format (CD or flash drive). Microsoft Word/Excel or PDF format is preferable. Two (2) electronic copies are requested and should be identical to the original hard copy submission. In any variance between the hard copy and electronic file, the original hard copy takes precedence.

TECHNICAL PROPOSAL (25 page single-spaced limit)

The Technical Proposal will include the following sections:

1. Executive Summary (1 page limit)

The Executive Summary should highlight the bidder's experience, staffing and approach to conducting this procurement.

2. Understanding and Proposed Approach (12 page limit)

This shall include a description of the offeror's understanding of the State's requirements and proposed approach to be employed for accomplishing the goals of the project should be described. Attention should be paid specifically to the proposed approaches to Tasks A, D, E, and F. The offeror may, as an appendix to its Technical Proposal, include a format for a plan-specific EQR detailed technical report to illustrate the offeror's understanding of the State's requirements and A Project Work Plan Schedule indicating the time schedule for the activities to be conducted for Tasks A, D, E, and F. Such an appendix will not count against the page limitation specified.

3. Staffing Plan (5 page limit excluding resumes or curriculum vitae)

The Staffing Plan shall identify the proposed project team that includes: (1) their names and degrees, (2) a summary of their backgrounds and experience, (3) their roles and responsibilities for this procurement, (4) the management of the project team, (5) the proposed level of effort (days) by sample task for each team member and, (6) staff resumes or curriculum vitae should be included as an attachment or appendix to the bidder's proposal. Resumes or curriculum vitae may be included in an appendix to the Technical Proposal and will not count against the page limit.

4. Corporate Experience and Qualifications (7 page limit)

Offeror shall indicate how it meets the requirements of 42 CFR 438.320. Offeror shall also provide a comprehensive listing of similar projects undertaken and/or similar clients served, including a brief description of the projects, specific references for similar projects, experience working with Medicaid programs and managed care organizations, three references from current or past contracts and projects conducted, a description indicating how the bidder will meet the State's Minority Business Enterprise requirements, and other significant factors related to the bidder's organization and experience such as sub-contracting arrangements. The offeror may, as an appendix to its Technical Proposal, include an example of a performance improvement project validation study it has performed, if any, to illustrate the offeror's experience. Such an appendix will not count against the page limitation specified.

COST PROPOSAL (10 Single Space Limit)

The proposed effort will be reimbursed on a Fully Loaded Hourly Rate basis with an estimated maximum ceiling of expenditures not to exceed **\$635,255** for the contract period, pending the availability of funding.

The Contractor will be reimbursed for the Professional Services and for Other Direct Charges (prior approved by the EOHHS-designated Project Director) expended to complete the contracted scope of work. Specifically, the Contractor will be reimbursed for professional services based on: the actual time spent by staff and sub-contractors, and an all inclusive, fully loaded, hourly rates by individual.

The bidder must include in its cost proposal an all inclusive (i.e. fully loaded) hourly rate for each staff and sub-contractor individuals proposed to conduct the proposed scope of work. The hourly rate must include:

- Hourly salaries of individuals
- Fringe Benefits which should include insurances (e.g. life, health disability, taxes, pensions and other benefits provided to individuals)
- Overhead or federally approved indirect cost rate
- Profit

The bidder shall indicate the percentage that applies for fringe benefits, overhead/indirect cost rates, profit and other indirect costs associated with the hourly salaries.

Appendix B contains sample forms that may be used to provide information in the Cost Proposal.

At the request of the EOHHS-designated Project Director, the successful contract will submit separate project proposals indicating the proposed tasks, the associated level of effort, and Other Direct Charges associated with special projects that may be conducted under Task F. Rhode Island is not obligated to conduct any special projects in Task F; neither is the EOHHS-designated Project Director obligated to accept project proposal submitted by the Contractor.

SECTION 6: EVALUATION AND AWARD

The State will commission a Technical Review Committee (TRC) to evaluate and score all proposals. The Technical Review Committee will first evaluate the Technical Proposals to determine whether or not they meet the minimum requirements and mandatory conditions established in this RFP. Any proposal that does not meet the requirements and conditions of the RFP will be considered non-responsive and may be disqualified without further evaluation. The TRC may at its discretion determine that non-compliance is not substantial and can be corrected. In such case, the State may ask the bidder for further information. The State also reserves the right to ask the bidder for additional information at any time during the evaluation process.

The evaluation of any item may incorporate input from sources other than the bidder's response and supplementary materials submitted by the bidder. Those other sources could include assessments made by evaluators based on findings recorded from reference checks (including but not limited to those supplied by the Contractor), prior experience with or knowledge of Contractor's work, responses to follow up questions posed by the State and/or oral presentations from the bidders. The State may elect to use any or all of these evaluation tools.

EVALUATION SCORING

The following is the evaluation criteria that will be used in evaluating bidder's proposals. The following is the value of each section of the Technical Proposal:

1. Understanding and Proposed Approach (20 Points)

Bidders with the most insightful understanding of the project will be scored the highest. Bidders with the most definitive technical approach demonstrating solutions to potential problems also will be scored the highest. Points will be deducted for bidders who do not demonstrate a clear understanding of the tasks or effective methods for accomplishing them.

2. Staffing Plan (30 Points)

Bidders will be evaluated based on the proposed available staff that will be assigned to the project, the project organization, and project management approach. Evaluators will score highly bidders who demonstrate adequate corporate resources and technology to bring to this contact immediately and sustain it throughout the project. Staff with previous experience working for an EQRO on activities related to the Medicaid population and with managed care plans will score the highest. Points will be deducted for bidders who present an organization and project management approach that, in the evaluator's best judgment, may not accomplish each task with optimum results.

3. Corporate Experience and Qualification (30 Points)

Bidders must meet the requirements of 42 CFR 438.320. Evaluators will score highly bidders who demonstrate prior experience in the tasks described, particularly bidders experienced with the Medicaid population and with managed care plans. The ability of the contractor to customize its approach to State requirements will be scored highly. Evaluators also will consider recommendation from other clients utilizing the contractor for similar work. Lack of prior experience to the tasks outlined and negative feedback from other clients will be cause for significant point deductions.

4. Cost Proposal (20 Points).

Only bidders whose Technical Proposal scored at least 70 points will have their Cost Proposal evaluated. The Cost Proposal will be evaluated based on the costs for bidder to provide the best level of qualified resources to perform the tasks in the scope of work at the best price to the State.

The following are considerations to determine the **cost** of a bidder:

- The proposed composite/fully loaded rates for each proposed staff member in light of their technical qualifications expertise, experience and appropriateness to their proposed role and task responsibilities.
- The composition of the composite/fully loaded rates.
- The cost of the each task based on the level of effort.

CONTRACT AWARD

The Technical Review Subcommittee will provide a written recommendation, including the results of all evaluations, to the Rhode Island Department of Administration, Division of Purchases who will make the final selection for this RFP.

The State also reserves the right to accept or reject any or all options, bids, or proposals and to act in its own best interest.

The State also reserves the right to send qualifying question and to receive responses to those question from bidders, request interviews and presentations from bidders, contact references, and/or use other appropriate means to evaluate submitted proposals and a bidder's qualifications.

Proposals found to be technically and substantively non-responsive at any point in the evaluation process may be rejected and not considered further.

STATE and FEDERAL APPROVALS

Final contract approval is contingent upon Federal and State approvals. Every effort will be made by the State to facilitate rapid approval upon award.

ATTACHMENT A

PROCUREMENT LIBRARY

The following are available in the Procurement Library:

- *Rhode Island Strategy for Assessing and Improving the Quality of Managed Care Services Under RItE Care (April 2005)*
- A sample Aggregate EQR report
- A sample Health Plan EQR report
- A sample focused study
- *Monitoring Quality & Access in RItE Care and Rhody Health Partners (October 2011)*

**ATTACHMENT B
COST PROPOSAL TEMPLATE FOR EACH CONTRACT PERIOD**

Contract Period # _____ (July 1, 20XX – June 30, 20XX)

Position Title	Task (A-F)	% Time	Hour	Hourly Rate	Cost (Hrs x Hourly Rate)
PERSONNEL COST TOTAL					\$
Subcontractors	Task (A-F)	% Time	Hour	Hourly Rate	Cost (Hrs x Hourly Rate)
SUBCONTRACTORS TOTAL					\$
Other Costs Description					Cost
OTHER COST TOTAL					\$
CONTRACT PERIOD # _____ TOTAL					\$

List staffing per task, using fully loaded rate for all positions titles and subcontractor positions.

	<u>BASE AWARD</u>			
	<u>Contract Period 1</u>	<u>Contract Period 2</u>	<u>Contract Period 3</u>	<u>Total Contract</u>
	07/01/12 – 06/30/13	07/01/13 – 06/30/14	07/01/14 – 06/30/15	07/01/12 – 06/30/15
Tasks A-F	\$	\$	\$	\$
Task G*	\$ 20,550	\$ 21,165	\$ 21,800	\$ 63,515
TOTAL	\$	\$	\$	\$

* Special Projects/Enhancement Activities

NOTE: Not to exceed \$ 635,255 for the three year contract period for Tasks A-G.
 Contract Period 1 - not to exceed \$ 205,525 (including Special Projects/Enhancement)
 Contract Period 2 - not to exceed \$ 211,690 (including Special Projects/Enhancement)
 Contract Period 3 - not to exceed \$ 218,040 (including Special Projects/Enhancement)